expressed doubt and confusion about the issue, imposed upon itself the labor of re-examining the findings of the District Court and their basis in the record. *Lincoln Stores, Inc.* v. *Nashua Mfg. Co.,* 157 F. 2d 154, 163 (1947), and especially the dissenting opinion of Circuit Judge Woodbury at page 164.

In the Third Circuit the Rule has been unexceptionally applied, but not without comment upon the uncertainties expressed by other courts thereon. *White* v. *E. L. Bruce Co.,* 162 F. 2d 304, 305.

That Court even followed the District Court's determination upon the question of invention where the District Court entered judgment of non-invention notwithstanding a verdict of the jury to the contrary. *Ryan Distributing Corp.* v. *Caley,* 147 F. 2d 138, 140.

The Sixth Circuit has repeatedly applied the Rule, both with and without avoiding the labor of a re-examination of the details of the record, but without any misgivings as to the compulsion imposed by Federal Rule 52(a). Compare *O'Leary* v. *Liggett Drug Co.,* 150 F. 2d 656, 663, 666-667 (1945) with *General Metals Powder Co.* v. *Wellman,* 157 F. 2d 505, 512 (1946).

In the Eighth Circuit the Rule has been stated as flatly as it is expressed in Federal Rule 52(a) and uniformly applied as directed by that Rule. *Strong-Scott Mfg. Co.* v. *Weller,* 112 F. 2d 389, 395 (1940); *National Aluminate Corp.* v. *Permutit Co.,* 145 F. 2d 175, 178 (1944); *Trico Products Corp.* v. *Delman Corp.,* 180 F. 2d 529, 530 (1950).

The Ninth Circuit Court of Appeals has expressed the most mature acceptance of the Rule. *Faulkner* v. *Gibbs,* 170 F. 2d 34, 37 (1948), affirmed 338 U. S. 267.

Its most recent case, *Jacuzzi Bros.* v. *Berkeley Pump Co.,* 191 F. 2d 632 (1951), contains an admonition of the

consequences, evident in the case now on petition, which would follow the wide practice of verbally accepting the rule and actually ignoring it (191 F. 2d at 634):

> "* * * But it is contended that, since the Patent Office and the Trial Court disagreed, we should find the facts *de novo*. The assumption of such authority by the appellate court would be an usurpation. However, we examine the facts to determine whether the findings of the Trial Judge are clearly erroneous under Rule 52, Federal Rules of Civil Procedure, Title 28 U. S. C. A., and must be set aside.
>
> "If there is not firm adherence to such a rule, everything is cast adrift. The trial courts find the facts. If appellate courts exercise no self-restraint, then, after the primary facts are thus found, these same facts are found anew twice over, with varying results. Not only is there no finality, but the findings may change with shifting personnel or on subsequent hearings. Not only finality, but stability is lost. All is confusion."

It is evident from even this brief summary that there is a direct conflict between the Seventh Circuit Court of Appeals and the Court of Appeals of several other Circuits upon the applicability and effect of Federal Rule 52(a) upon appeals in which there is a finding by the District Court of invention.

It is not only to be observed that a direct conflict exists between the several Courts of Appeals but it is to be noted that the discussion of the question has been shrouded in confessions of frustration, doubt and confusion no better expressed than in the passages which have been quoted from the opinions cited above.

This perplexity has also invaded the expressions of this Court where the limitations of reviewability of the question of invention have been in dispute. See, for example, the statements in the dissenting opinions in *Williams Co.*

v. *United Shoe Mach. Corp.*, 316 U. S. 364, at 390; *Goodyear Tire & Rubber Co.* v. *Ray-O-Vac Co.*, 321 U. S. 275, 280 and footnote at 280-281; *Graver Tank & Mfg. Co.* v. *Linde Air Products*, 336 U. S. 271, 280.

The frequency of patent litigation and the inevitability of the presence of the question of invention in each case would demonstrate even without the comment of the many Circuit Courts of Appeals that have considered this issue, its importance in the administration of the law of patents. The comments of the courts upon the question of the extent of review available and the almost uniform insistence upon an excursion into the complete record and factual history of the issue—not to determine merely whether the finding under attack is clearly erroneous, but to resolve anew the issue—discloses at once the extent of the procedural problem involved and the unnecessary labor imposed upon appellate courts by the uncertainty with respect to this question. The question is important, both as a problem of federal procedure and as one of patent law.

When the question of invention is reviewed without regard to the admonition of Federal Rule 52(a), instability with respect to the validity of the patent, pointed to by the Ninth Circuit Court of Appeals, is but a minor product of the conflict of rule and practice. Beyond that, the suppression of the function and authority of the District Courts introduces a handicap upon their efforts and a cloud upon their pronouncements that reduce their functions to less than those of the almost extinct Master. In addition, the expansion of the province of review beyond that contemplated by the authors of Rule 52(a) imposes new and intolerable burdens upon an over-freighted appellate court system.

There is but one way in which the uncertainty and confusion surrounding this issue can be dispelled. It is for

this court to examine the narrow issue presented by this petition and to measure the untrammelled review which has been undertaken in this case against the clear mandate of Federal Rule 52(a) in order that there be a clear answer to the question presented by this petition.

## CONCLUSION.

This petition presents a single, important issue, whether a Court of Appeals must respect the terms of Federal Rule 52(a) and leave untouched findings upon the factual issue of invention which have support in the record and are not clearly erroneous.

The Petition should be granted.

Respectfully submitted,

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Chicago, Illinois,
January 2, 1953.

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JAN 30 1953

IN THE

# Supreme Court of the United States

OCTOBER TERM, 1952

**No. 530**

HANSEN MANUFACTURING COMPANY, INC.,
Petitioner,

*v.*

GENERAL TIME CORPORATION,
Respondent.

## BRIEF FOR RESPONDENT IN OPPOSITION TO PETITION FOR WRIT OF CERTIORARI

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## BRIEF FOR RESPONDENT IN OPPOSITION TO PETITION FOR WRIT OF CERTIORARI

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### Statement

This is an ordinary patent case presenting the customary issues of validity and infringement. The patent relates to electric clock motors. The lower Court, after comparing the patented structure with prior patents and motors in prior use, found the patent valid and infringed as to certain claims. The Court of Appeals, without a dissenting opinion, upon its comparison of the patented motor with the prior art patents and motors, found the patented motor devoid of patentable invention and reversed the judgment of the lower Court. The petition contends that the Court of Appeals was precluded by the provisions of Rule 52(a) of the Federal Rules of Civil Procedure from reviewing

and reversing the lower Court's finding that the patentees' accomplishment did involve patentable invention.

Petitioner's statement of the facts contains no description whatsoever of the prior art structures and makes no comparison of the patented structure therewith. The opinion of the Court of Appeals, however (R. 331-334) contains a discussion of these structures which is ample for an understanding of the nature of the alleged invention.

There are two conventional types of clock motor, namely, the offset coil type and the axial coil type.[1] In both types of motors the poles from both ends of the coil were customarily arranged in a *single* cylindrical path, known as the "in line" arrangement, either within the flange of the rotor or encircling the flange of the rotor. Motors of both types were made self-starting by making certain of the poles in two parts with "shading" applied to one part. It was the practice to shade the poles from both ends of the coil when a strong starting torque was desired, or the poles from one end only when economy of manufacture was required. In certain motors of the prior art, both of the axial coil type and of the offset coil type, the poles from one end of the coil are all arranged in a circle *within* the flange of the rotor, while the poles from the other end of the coil were arranged in a circle *surrounding* the flange of the rotor.[2]

The patentees' motor is an axial coil type motor. It has the poles at both ends of the coils shaded to provide a strong starting torque; and it has the poles arranged in two concentric paths on opposite sides of the rotor flange.

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[1] In the prior patent to Thompson (R. 287) the patentee shows his improved motor adapted to the axial coil type in Fig. 1 and the offset coil type in Fig. 10.

[2] This arrangement, which reduces leakage loss, although old, was not a common expedient and was apparently unknown to the patentees when their application was filed.

The three prior art examples of this arrangement in evidence are the Traeger and Pennwood motors and the motor disclosed in the German patent. The patented motor is not *identical* with any one of these three motors with the prescribed pole arrangement because the Traeger motor is of the offset coil type and not the axial coil type, and in the Pennwood motor and the motor of the German patent only the poles from one end of the coil are shaded.

The Court of Appeals found that providing the Pennwood and German motors with additional shading coils to obtain strong starting torque did not involve patentable invention. They also found that the adaptation of the pole arrangement of the Traeger offset coil motor to motors of the axial coil type did not involve patentable invention. In so deciding the Court of Appeals for the Seventh Circuit pointed out that the evidence of the prior art motors consisted entirely of prior patents and specimens of the motors themselves about which there was *no* dispute, and that the testimony of the experts for the respective parties who explained the structure and operation of the several motors involved no "crucial dispute".

## SUMMARY OF ARGUMENT

### I

This Court has clearly and specifically stated the application of Rule 52(a) of the Federal Rules of Civil Procedure to appeals in patent infringement cases presenting issues such as ruled upon by the Court of Appeals for the Seventh Circuit in the case at bar.

### II

The Court of Appeals in its opinion here specifically refers to Rule 52(a), and its construction of the rule is strictly in conformity with the rulings of this Court.

III

There is no conflict among the several Circuits as to the construction of Rule 52(a) of the Federal Rules of Civil Procedure. On the contrary, the several Courts of Appeals for the several Circuits have consistently followed the rulings of this Court with respect to the construction to be placed upon Rule 52(a), and their conclusions as to whether they were or were not limited in their review of the findings of the lower Court are based entirely on the differences in the fact circumstances presented by the several cases and not upon any differences in the application of the law to the facts.

## ARGUMENT

### I

### The limitations imposed by Rule 52(a) of the Federal Rules of Civil Procedure on the review of judgments rendered in civil cases tried without a jury have been specifically defined by this Court in several recent opinions.

> "In so far as this finding and others to which we shall refer are inferences drawn from documents or undisputed facts, heretofore described or set out, Rule 52(a) of the Rules of Civil Procedure is applicable. That rule prescribes that findings of fact in actions tried without a jury 'shall not be set aside unless clearly erroneous, and due regard shall be given to the opportunity of the trial court to judge of the credibility of the witnesses.' It was intended, in all actions tried upon the facts without a jury, to make applicable the then prevailing equity practice. Since judicial review of findings of trial courts does not have the statutory or constitutional limitations on judicial review of findings by administrative

agencies or by a jury, this Court may reverse findings of fact by a trial court where 'clearly erroneous.' The practice in equity prior to the present Rules of Civil Procedure was that the findings of the trial court, when dependent upon oral testimony where the candor and credibility of the witnesses would best be judged, had great weight with the appellate court. The findings were never conclusive, however. A finding is 'clearly erroneous' when although there is evidence to support it, the reviewing court on the entire evidence is left with the definite and firm conviction that a mistake has been committed." *United States* v. *Gypsum Co.*, 333 U. S. 364, 394-395 (1948).

In *Graver Mfg. Co.* v. *Linde Co.*, 336 U. S. 271, 275 (1949), this Court refused to disturb the concurrent decisions of the District Court and the Court of Appeals based on conflicting testimony:

"The rule requires that an appellate court make allowance for the advantages possessed by the trial court in appraising the significance of *conflicting testimony* and reverse only 'clearly erroneous' findings. These are manifestly supported by substantial evidence and the Court of Appeals found them supported by the weight of the evidence—indeed found the evidence to warrant support of the patent even in matters not found by the trial court." (Emphasis supplied.)

In *A. & P. Tea Co.* v. *Supermarket Corp.*, 340 U. S. 147, 153-154 (1950), this Court did reverse the concurrent findings of the District Court and the Court of Appeals on the ground that there the decision did not involve resolving conflicting testimony:

"The questions of general importance considered here are not contingent upon resolving conflicting

testimony, for the facts are little in dispute. We set aside no finding of fact as to invention, for none has been made except as to the extension of the counter, which cannot stand as a matter of law. The defect that we find in this judgment is that a standard of invention appears to have been used that is less exacting than that required where a combination is made up entirely of old components."

In *Crest Specialty Co.* v. *Trager*, 341 U. S. 912 (1951), this Court reversed the judgment of the Court of Appeals for the Seventh Circuit (184 F. 2d 577) wherein that Court had affirmed the lower Court's finding that the patent in suit was valid on the ground that that question was one of fact and should not be disturbed on appeal unless clearly erroneous. The opinion of this Court was a *per curiam* opinion reading as follows:

"*Per Curiam:* The judgment is reversed. *Great Atlantic & Pacific Tea Co.* v. *Supermarket Equipment Corp.*, 340 U. S. 147."

This Court, in defining a finding which is clearly erroneous in *United States* v. *Gypsum Co., supra,* said at page 395:

"A finding is 'clearly erroneous' when although there is evidence to support it, the reviewing court on the entire evidence is left with the definite and firm conviction that a mistake has been committed."

In the case at bar after reviewing the entire evidence the Court of Appeals said:

"Inasmuch as, after careful search, we find *no evidence* to support the finding of patentable invention, the judgment is reversed for further action not inconsistent with the announcements herein" (Opinion, R. 341). (Emphasis supplied.)

## II

**The Court of Appeals in its opinion here expressly construes Rule 52(a) in precise accord with this Court's rulings.**

The Court of Appeals, in its opinion, defines the question before it as follows:

> "This question [patentable invention] depends entirely upon the interpretation to be given the patents in evidence, the proceedings in the Patent Office, certain other documents and the physical exhibits, for, so far as the scientific facts are concerned, there is no crucial dispute in the testimony of the experts of the respective parties, who, after all, merely attempted to construe the documentary and physical evidence, a task eventually for this court" (Opinion R. 334).

The Court then said (R. 334-335):

> "We said, in *Sales Affiliates* v. *National Mineral Co.*, 7 Cir., 172 F. 2d 608, 613, 'Under the federal rules we are not at liberty to review a finding of fact of the District Court unless it is "clearly erroneous." Here the question of whether the patents are valid or invalid depends entirely upon an analysis of prior patents and a comparison of what is taught by them and what is taught by the patentees in the two patents in suit. This is not a case where the findings of fact depend upon disputed evidence or controverted facts but is rather one where the ultimate findings depend upon whether recorded prior art is such that the patentee has achieved invention over and above the same. In such a situation, we think that the decision of the Supreme Court in *Sanitary Refrigerator Co.* v. *Winters*, 280 U. S. 30, 31, 50 S. Ct. 9, 74 L. Ed. 147, is directly in point. See also *Singer Company* v.

*Cramer*, 192 U. S. 265, 24 S. Ct. 291, 48 L. Ed. 437; *Uihlein* v. *General Electric Co.*, 8 Cir., 47 F. 2d 997, and *Process Engineers* v. *Container Corp.*, 7 Cir., 70 F. 2d 487.' Here, as we said in *Falkenberg* v. *Golding, et al.*, 7 Cir., 195 F. 2d 482, 486, 'we eliminate any necessity of determining whether the findings of fact of the District Court, including invention are clearly erroneous, for our conclusions are based upon the interpretation of written documents and the construction of undisputed statements of the patentee before the Patent Office, matters open to us for consideration. *Charles Peckat Mfg. Co.* v. *Jacobs*, 7 Cir., 178 F. 2d 794 at page 802; *Lewyt Corporation* v. *Health-Mor, Inc.*, 7 Cir., 181 F. 2d 855 at page 857; *Sales Affiliates, Inc.* v. *National Mineral Co.*, 7 Cir., 172 F. 2d 608 at page 613'."

The Court of Appeals then refers to the various motors exemplifying the state of the art at the time of the patentees' alleged invention and states (R. 336-338):

"* * * In some, all of the poles are outside the flange; in others they are all inside, while in still others they are partly within and partly without. In some the pole fingers have their ends shaped to a curvature corresponding with that of the rotor flange and in others the tips are bent over to form pole facets of larger areas than the cross sectional dimensions. Some of these motors have both sets of poles divided into pairs with one pole of each pair shaded; others have only one set divided and shaded. Apparently the delvers in electric motors art knew that shading both sets results in a stronger starting torque, but has little or no effect upon the operation of the motor in clock-running operation. The claims in suit prescribe no specific form of shading and make no claim of invention in shading but their language implies the

necessity of employment of some one or more previously recognized forms of shading. In so far as shading produces a stronger starting torque, therefore, no valid claim for invention is made out."

* * *

"Stated shortly the alleged invention consists, we think, of a combination of the axial coil motor of the prior art with a Traeger pole arrangement. As a matter of fact Traeger's structure differs from the earlier art only in the arrangement of the poles in two cylindrical paths with the flange of the rotor between them.

"In this connection defendant demonstrated in the trial court that it was impossible to make an axial coil motor according to Hansen's claims out of Traeger's offset coil motors. There is no question about that, but the choice between the style of motor, that is the axial type and the offset type, was one wholly within the builder's option from voluminous prior art. The patentees do not claim to have invented the axial type motor. They do claim that invention resides in their prescription of arranging the poles in two cylindrical paths with an annular gap between and disposing the rotor flange in this annular gap. But Traeger had done the same thing. In other words, Traeger's arrangement may easily be applied to the known axial coil motor by any skilled worker in the art."

## III

**There is no conflict among the several Circuits as to the Construction of Rule 52(a) of the Federal Rules of Civil Procedure.**

The petitioner has cited a number of cases of the Courts of Appeals of the several Circuits wherein such Courts have in some instances affirmed the judgment of

the lower Court with respect to the validity and infringement of patents, and in other instances the same Courts have reversed such judgments. Such cases, however, do not indicate any conflict among the several Circuits, for the rulings of the same Court of Appeals in different cases present as much variance as do the opinions of the Courts of the different Circuits. For example, on page 16 of its petition and brief in support thereof, petitioner cites the case of *Ryan Distributing Corp.* v. *Caley,* 147 F. 2d 138 (1945), wherein the Court of Appeals for the Third Circuit *affirmed* a judgment of non-invention notwithstanding a verdict of the jury to the contrary. Nevertheless the Third Circuit Court of Appeals in the case of *Packwood* v. *Briggs & Stratton Corp.,* 195 F. 2d 971 (1952), *reversed* a judgment affirming a verdict of invention by the jury. In thus setting aside the verdict of the jury the Court of Appeals of the Third Circuit was guided by the ruling of this Court in *A. & P. Tea Co.* v. *Supermarket Corp.,* 340 U. S. 147, wherein concurring judgments of the two lower Courts were set aside because the "standard of invention" applied in the lower Courts was "less exacting than that required where a combination is made up entirely of old elements".

The matter quoted from the First Circuit case of *Hanovia Chemical & Mfg. Co.* v. *David Buttrick Co.,* 127 F. 2d 888 (1942) (p. 14 of the petition and brief in support thereof) is clearly a paraphrase of the rulings laid down by this Court in the several cases discussed above. From this opinion it is clear that the Court of Appeals for the First Circuit would, in the absence of conflicting evidence on crucial issues, set aside a judgment of validity where a comparison of the thing patented with the prior art led to the conclusion that the accomplishment of the alleged inventor involved no more than the exercise of the expected skill of the worker in the art.

We find nothing in the authorities cited by petitioner to indicate that the Courts of Appeals for any of the Circuits would do otherwise because of a belief that the provisions of Rule 52(a) precluded a review of the lower Court's judgment.

## CONCLUSION

**For the foregoing reasons the petition for writ of certiorari should be denied.**

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